



General Assembly

**Substitute Bill No. 5899**

February Session, 2008

\* \_\_\_\_\_ HB05899GAE \_\_\_\_\_ 031808 \_\_\_\_\_ \*

**AN ACT CONCERNING ON-LINE PROCUREMENT BY STATE AGENCIES, MUNICIPALITIES AND REGIONAL AND LOCAL SCHOOL DISTRICTS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective from passage*) Notwithstanding any  
2       provision of the general statutes, not later than July 1, 2009, the  
3       Commissioner of Administrative Services, in consultation with the  
4       Commissioner of Education, shall adopt regulations, in accordance  
5       with the provisions of chapter 54 of the general statutes, to enable state  
6       agencies, municipalities and local and regional school districts to  
7       participate in on-line auctions for the provision of services, goods and  
8       supplies to such agencies, municipalities or districts. Such regulations  
9       shall enable state agencies, municipalities and local and regional  
10      school districts to receive secure bids from contractors for such  
11      services, goods and supplies, through the Internet while assuring the  
12      confidential security of such bids.

13      Sec. 2. Section 4a-57 of the general statutes is repealed and the  
14      following is substituted in lieu thereof (*Effective from passage*):

15      (a) All purchases of, and contracts for, supplies, materials,  
16      equipment and contractual services, except purchases and contracts  
17      made pursuant to the provisions of subsection (b) of this section and  
18      public utility services as provided in subsection (e) of this section shall

19 be based, when possible, on competitive bids or competitive  
20 negotiation or any other process that will ensure a competitive contract  
21 award, including, but not limited to, reverse auctions. The  
22 commissioner shall solicit competitive bids or proposals by providing  
23 notice of the planned purchase in a form and manner that the  
24 commissioner determines will maximize public participation in the  
25 competitive bidding or competitive negotiation process, including  
26 participation by small contractors, as defined in section 4a-60g of the  
27 2008 supplement to the general statutes, and promote competition. In  
28 the case of an expenditure which is estimated to exceed fifty thousand  
29 dollars, such notice shall be inserted, at least five calendar days before  
30 the final date of submitting bids or proposals, in two or more  
31 publications, at least one of which shall be a major daily newspaper  
32 published in the state and shall be posted on the Internet. Each notice  
33 of a planned purchase under this subsection shall indicate the type of  
34 goods and services to be purchased and the estimated value of the  
35 contract award. The notice shall also contain a notice of state contract  
36 requirements concerning nondiscrimination and affirmative action  
37 pursuant to section 4a-60 and, when applicable, requirements  
38 concerning the awarding of contracts to small contractors, minority  
39 business enterprises, individuals with a disability and nonprofit  
40 corporations pursuant to section 4a-60g of the 2008 supplement to the  
41 general statutes. Each bid and proposal shall be kept sealed or secured  
42 until opened publicly at the time stated in the notice soliciting such bid  
43 or proposal.

44 (b) The commissioner may, at his discretion, waive the requirement  
45 of competitive bidding or competitive negotiation in the case of minor  
46 nonrecurring and emergency purchases of ten thousand dollars or less  
47 in amount.

48 (c) The commissioner shall adopt regulations, in accordance with  
49 the provisions of chapter 54, establishing (1) standards and procedures  
50 for using competitive negotiation for purchases and contracts,  
51 including but not limited to, criteria which shall be considered in  
52 making purchases by competitive negotiation and the weight which

53 shall be assigned to each such criterion, and (2) standards and  
54 procedures under which additional purchases may be made under  
55 existing contracts.

56 (d) The commissioner, in consultation with the Commissioner of  
57 Environmental Protection and with the approval of the Secretary of the  
58 Office of Policy and Management, may waive the requirement of  
59 competitive bidding or competitive negotiation in the case of a  
60 purchase of cars or light-duty trucks in order to comply with any  
61 provisions of the general statutes regarding the purchase of alternative  
62 fuel vehicles or any such requirement of federal law.

63 (e) (1) The purchase of or contract for the following public utility  
64 services shall not be subject to competitive bidding or competitive  
65 negotiation: (A) Electric distribution services; (B) water services; (C)  
66 gas distribution services; (D) electric generation services until the date  
67 such services are competitive pursuant to the schedule set forth in  
68 section 16-244b, provided electric generation services shall be exempt  
69 from competitive bidding and competitive negotiation after said date if  
70 such services are provided by an electric municipal utility other than  
71 by a participating electric municipal utility, as defined in section 16-1  
72 of the 2008 supplement to the general statutes, in the service area of  
73 said electric municipal utility; and (E) gas supply services until the  
74 date such services are competitive pursuant to legislative act or order  
75 of the Department of Public Utility Control, provided gas supply  
76 services shall be exempt from competitive bidding and competitive  
77 negotiation after said date if such services are provided by a gas  
78 municipal utility in the service area of said gas municipal utility.

79 (2) Any purchase of or contract by the department for electric  
80 generation services that are subject to competitive bidding and  
81 competitive negotiations shall be conducted in cooperation with the  
82 Office of Policy and Management pursuant to section 16a-14e.

83 (f) Nothing in this section shall be construed to apply to the award  
84 of janitorial contracts pursuant to the provisions of subsections (b) to

85 (e), inclusive, of section 4a-82 of the 2008 supplement to the general  
86 statutes.

87 Sec. 3. Section 4d-8 of the general statutes is repealed and the  
88 following is substituted in lieu thereof (*Effective from passage*):

89 (a) The provisions of title 4a shall apply to the purchasing, leasing  
90 and contracting for information system and telecommunication system  
91 facilities, equipment and services by the Chief Information Officer,  
92 except that (1) the Chief Information Officer shall have the powers and  
93 duties that are assigned by said title 4a to the Commissioner of  
94 Administrative Services, [and] (2) the Chief Information Officer may  
95 use competitive negotiation, as defined in section 4a-50, to purchase or  
96 contract for such facilities, equipment and services after making a  
97 written determination, including the reasons therefor, that such action  
98 is in the best interest of the state, and (3) the Chief Information Officer  
99 may use any other process that will ensure a competitive contract  
100 award, including, but not limited to, reverse auctions. The Chief  
101 Information Officer shall adopt regulations, in accordance with the  
102 provisions of chapter 54, establishing objective standards for  
103 determining when such competitive negotiation may be used instead  
104 of competitive bidding, including whether the character of the  
105 facilities, equipment or services is more important than their relative  
106 cost.

107 (b) (1) As used in this subsection, "information technology personal  
108 property" includes, but is not limited to, electronic data processing  
109 equipment, other equipment necessary for the utilization of  
110 information systems, telecommunication equipment or installations,  
111 and other equipment necessary for the utilization of  
112 telecommunication systems.

113 (2) Notwithstanding any provision of the general statutes, [to the  
114 contrary,] the Chief Information Officer may sell, lease or otherwise  
115 dispose of information technology personal property. The Chief  
116 Information Officer may execute personal service agreements or other

117 contracts with outside vendors for such purposes. If any such  
 118 information technology personal property was purchased or improved  
 119 with the proceeds of tax-exempt obligations issued or to be issued by  
 120 the state, the Chief Information Officer shall notify the State Treasurer  
 121 and obtain the approval of the State Treasurer, before selling, leasing  
 122 or disposing of the personal property or executing such an agreement  
 123 or contract for such purpose. The State Treasurer may disapprove such  
 124 sale, lease, disposition, agreement or contract only if it would affect the  
 125 tax-exempt status of such obligations and could not be modified to  
 126 maintain such tax-exempt status.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	4a-57
Sec. 3	<i>from passage</i>	4d-8

**GAE**      *Joint Favorable Subst.*